European Life Sciences Deals Overview Q1 2025

Deal Monitor

KPMG Life Sciences

Overall, the value and number of deals involving European targets continued to decline in Q1 2025. Year-over-year, VC & growth capital deal value increased, while M&A and IPO & follow-on deal values decreased

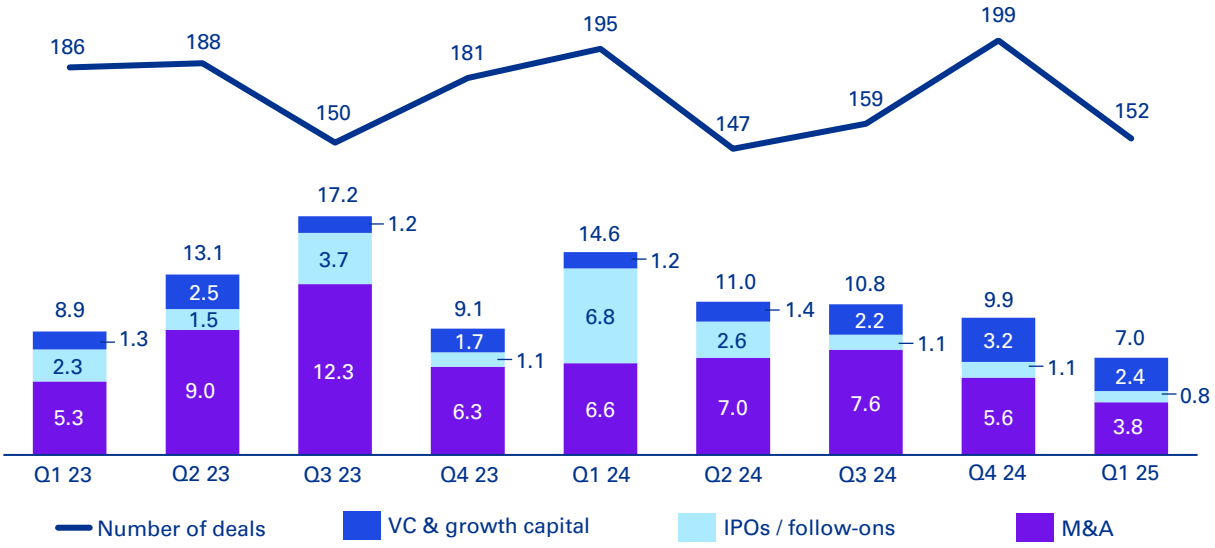
European M&A deal value totaled $3.8b in Q1. Notable acquisitions included Taiho Pharmaceuticals and Araris (ADCs) (see next page), AstraZeneca and EsoBiotec (C&GT), Lantheus Radiopharmaceuticals and Life Molecular Imaging (radiodiagnostics), and Bio-Rad Laboratories and Stilla Technologies (next-gen PCR)

Venture capital & growth capital deal value was $2.4b. The largest deals involved DBAY Advisors' $467m stake increase in Alliance Pharma (consumer healthcare), and Verdiva Bio (oral GLP-1), which raised $410m in a Series A round. Other notable deals in Q1 included Winward Bio (long-acting mAb TSLP), Kelso Pharma (specialty pharma), Orbis Medicines (oral macrocycle drug discovery), RhyGaze (novel gene therapy for retinal cells), Maxion Therapeutics (ion channels and GPCRs), and Leyden Labs (antibody modification for mucosal administration)

Europe's public markets saw two IPOs and at least four follow-on offerings over $75m. The clinical-stage antimicrobial resistance company BioVersys (SWX:BIOV) debuted on the Swiss Stock Exchange. Cardiogeni (OFEX:CGNI), a next-gen heart failure company, listed on the Growth Market of the Aquis Stock Exchange. The largest follow-on equity offerings involved the clinical-stage psychiatry and neurology player GH Research (NasdaqGM: GHRS) for $150m and the clinical-stage psilocybin developer Compass Pathways (NasdaqGS:CMPS) for $149m

Value and number of European Life Sciences deals 2023 – Q1 2025

$b, number of deals



Sources: CapitalIQ; Mergermarket; PitchBook; Refinitiv; Company press releases; KPMG analysis.

European Life Sciences deal spotlight

Taiho acquires Araris Biotech, a novel ADC developer, in a strategic oncology move

Deal Value: $450m; $740m potential add-ons

Key benefits:

In April, Araris published preclinical head-to-head data comparing its anti-CD79b ADCs to the FDA-approved polatuzumab vedotin (PV)

- Indication of a potentially wider therapeutic window
- Potential for higher tolerated doses
- Sustained tumor suppression at an equal MMAE dose
- Potentially superior in vivo stability, no payload loss

Built with a one-step linker-payload conjugation platform, AraLinQ™, without antibody modification

Expected to enter clinical trials by the end of 2025

Why it matters:

- The ADC market is forecast to grow at a CAGR of 28.4% until 2029
- Past M&A deals reflect pharmaceutical interest:
  - 2024: AbbVie/ImmunoGen – $10b
  - 2023: Pfizer/Seagen – $43b
  - 2020: Gilead/Immunomedics – $21b
- 76 ADC deals in 2023 (M&A, licensing, co-dev)

Looking ahead:

- Future ADC success hinges on modular, stable, and scalable platforms
- Araris' data reinforces the push toward lower-toxicity, broader-application ADCs
- High interest from pharma, CDMOs, and investors aiming to capture next-gen ADC potential

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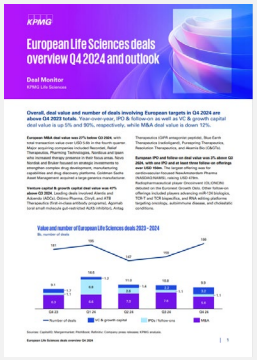

European Life Sciences Deals Overview Q4 2024 & Outlook

From promise to practice: How are Antibody-drug conjugates (ADCs) changing the game?

Contact us

KPMG AG
Badenerstrasse 172
PO Box
8036 Zurich

kpmg.ch/lifesciences

Camal Handor
Director
Life Sciences Strategy

+41 76 280 29 48
camalhandor@kpmg.com

Peter Mozerov, PhD
Senior Manager
Life Sciences Strategy

+41 79 885 77 64
petermozerov@kpmg.com

Stephen Oliva, MD
Senior Consultant
Life Sciences Strategy

+41 76 480 81 99
soliva@kpmg.com

This study is based on Mergermarket, Capital IQ, Pitchbook, Refinitiv and KPMG databases, focusing on deals announced in 2025 but also providing historical data drawn from previous years.